NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

such part of the leased premises

PAID UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made	this <u>Stk</u>	_day of \underline{A}	qu5±	, 2009, by and between
Rafael Rodriguez				
whose addresss is 2.00 Avenue C. Fort 107t Texas 75201, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee. 1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:				
ACRES OF LAND, MOUT OF THE High land to	ORE OR LESS, BE -C. G. Les 10000 TAF , PAGE C	ING LOT(S) RRANT COUNT	AD Y, TEXAS, ACCORDING F THE PLAT RECORDS	, BLOCK 67 DITION, AN ADDITION TO THE CITY OF TO THAT CERTAIN PLAT RECORDED OF TARRANT COUNTY, TEXAS.
reversion, prescription or otherwise), for the substances produced in association then commercial gases, as well as hydrocarbor land now or hereafter owned by Lessor wh	ne purpose of exploring ewith (including geophys gases. In addition to the nich are contiguous or ad est any additional or supp	for, developing, proc sical/seismic operation ne above-described li ljacent to the above- plemental instruments	lucing and marketing oil and g ons). The term "gas" as use eased premises, this lease also described leased premises, and ofor a more complete or accura	nterests therein which Lessor may hereafter acquire by gas, along with all hydrocarbon and non hydrocarbon d herein includes helium, carbon dioxide and other o covers accretions and any small strips or parcels of d, in consideration of the aforementioned cash bonus, its description of the land so covered. For the purpose accorrect, whether actually more or less.
2. This lease, which is a "paid-up" le as long thereafter as oil or gas or other sub otherwise maintained in effect pursuant to t	stances covered hereby	shall be in force for a are produced in payi	primary term of ng quantities from the leased p	
3. Royalties on oil, gas and other suseparated at Lessee's separator facilities, Lessor at the wellhead or to Lessor's credit the wellhead market price then prevailing prevailing prevailing proce) for production of similar severance, or other excise taxes and the chave the continuing right to purchase such then prevailing in the same field, then in the nearest preceding date as the date on which the leased premises or lands pooled there hydraulic fracture stimulation, but such well be producing in paying quantities for the public producing in paying quantities for the public position of production there from is not be producing in paying quantities for the policy of the producing in paying quantities for the policy of such operations or production. Lessee's 4. All shut-in royalty payments under be Lessor's depository agent for receiving a draft and such payments or tenders to Lessed schown to Lessee shall, at Lessee 5. Except as provided for in Paragra premises or lands pooled therewith, or if pursuant to the provisions of Paragraph in nevertheless remain in force if Lessee come on the leased premises or lands pooled the the end of the primary term, or at any time operations reasonably calculated to obtain no cessation of more than 90 consecutive there is production in paying quantities from to (a) develop the leased premises as to form the l	abstances produced and the royalty shall be tat the oil purchaser's tire in the same field (or if the grade and gravity; (b)	ansportation facilities here is no such price for gas (including ds realized by Lesser in delivering, processing wellhead market in there is such a previous purchases hereunde producing oil or gas in or production there is lesse. If for a period dollar per acre then deriod and thereafter in provided that if this is pooled therewith, no such in the derivation of the deri	provided that Lessee shall hat then prevailing in the same fit then prevailing in the same fit then prevailing in the same fit asing head gas) and all other from the sale thereof, less a pring or otherwise marketing such the production of similar grice) pursuant to compair, and (c) if at the end of the production of substances covered the from is not being sold by Lesse that the production of substances covered by this lease, such pay on or before each anniversary dease is otherwise being maint shut-in royalty shall be due until der Lessee liable for the amount or to Lessor's credit in at lesselip of said land. All payments of Mails in a stamped envelope at date or be succeeded by another capable of producing in paying tities) permanently ceases from the instrument naming another capable of producing in paying tities) permanently ceases from the event this lease well or for drilling an additional attains on such dry hole or with a maintained in force but Lessell remain in force so long as an exproduction of oil or gas or of the leased prevail of quantities on the leased prevail of the lease of	r as follows: (a) For oil and other liquid hydrocarbons uch production, to be delivered at Lessee's option to we the continuing right to purchase such production at eld, then in the nearest field in which there is such ar substances covered hereby, the royalty shall be proportionate part of ad valorem taxes and production, the gas or other substances, provided that Lessee shall liar quality in the same field (or if there is no such price rable purchase contracts entered into on the same or ereby in paying quantities or such wells are waiting on ea, such well or wells shall nevertheless be deemed to well or wells are shut-in or production there from is not ment to be made to Lessor or to Lessor's credit in the of the end of said 90-day period while the well or wells ained by operations, or if production is being sold by it the end of the 90-day period next following cessation in due, but shall not operate to terminate this lease. Soor's address above or its successors, which shall not tenders may be made in currency, or by check or by didressed to the depository agent to receive payments. quantities (hereinafter called "dry hole") on the leased me in sufficiently agent to receive payments. quantities (hereinafter called "dry hole") on the leased me in or tenders may be made in currency, or by check or by didressed to the depository agent to receive payments. quantities (hereinafter called "dry hole") on the leased me in or otherwise being maintained in force it shall well or for otherwise obtaining or restoring production in 90 days after such cessation of all production. If at ee is then engaged in drilling, reworking or any other hy one or more of such operations are prosecuted with her substances covered hereby, as long thereafter as I capable of producing in paying quantities hereunder, to would drill under the same or similar circumstances mises or lands pooled therewith, or (b) to protect the estable be no covenant to drill exploratory wells or any
6. Lessee shall have the right but no depths or zones, and as to any or all subproper to do so in order to prudently develounit formed by such pooling for an oil well horizontal completion shall not exceed 640 completion to conform to any well spacing of the foregoing, the terms 'oil well' and 'gprescribed, 'oil well' means a well with an if feet or more per barret, based on 24-hot equipment; and the term "horizontal completion proportion or the reversing its pooling proportion, drilling or reworking operations on the leased premise net acreage covered by this lease and included the appropriate of the proportion or component thereof. In the leased premise net acreage covered by this lease and includes the proportion of the leased premise on the lease and includes the premitted by the government making such a revision, Lessee shall file of leased premises is included in or excluded be adjusted accordingly. In the absence of a written declaration describing the unit and 7. If Lessor owns less than the full means the standard of the sum of the	of the obligation to pool a stances covered by this is on or operate the leased point in the lease of the l	lease, either before a premises, whether or completion shall not creage tolerance of 1 ay be prescribed or pneanings prescribed than 100,000 cubic facted under normal pell in which the horizor see shall file of reconich includes all or a action on which Lesso the total gross acrobic to the total gross acrobic properties or after committed and the committed of the period of the period of the leased prest of the leased prest of the leased prest before or after committed from a unit, or part of the leased prest of the lease	or after the commencement of not similar pooling authority exexceed 80 acres plus a maxim 0%; provided that a larger unit ermitted by any governmental by applicable law or the approper per barrel and "gas well" metroducing conditions using state ontal component of the gross contal component of the gross contal a written declaration describing part of the leased premise or's royalty is calculated shall be age in the unit, but only to the under, and Lessee shall have bencement of production, in or to any productive acreage delivised unit and stating the effect oportion of unit production or upon permanent cessation the under shall not constitute a crosemises, the royalties and shut-	prein with any other lands or interests, as to any or all production, whenever Lessee deems it necessary or dists with respect to such other lands or interests. The num acreage tolerance of 10%, and for a gas well or a may be formed for an oil well or gas well or horizontal authority having jurisdiction to do so. For the purpose priate governmental authority, or, if no definition is so cans a well with an initial gas-oil ratio of 100,000 cubic indard lease separator facilities or equivalent testing completion interval in facilities or equivalent testing impletion interval in the reservoir exceeds the vertical boing the unit and stating the effective date of pooling is shall be treated as if it were production, drilling or se that proportion of the total unit production which the extent such proportion of unit production which the extent such proportion of unit production to revise any deter to conform to the well spacing or density pattern termination made by such governmental authority. In attive date of revision. To the extent any portion of the which royalties are payable hereunder shall thereafter seconveyance of interests. In royalties payable hereunder for any well on any part the leased premises bears to the full mineral estate in

- 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferred to statisfy such obligations with respect to the transferred interest shall not affect the rights of
- Lessee with respect to the transferred interest, and failure of the transferred to satisfy such colligations with respect to the transferred interest shall be divided between Lessee transferre in proportion to the net acreage interest in this lease then held by each.

 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.
- in accordance with the net acreage interest retained hereunder.

 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated tands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lesses's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during
- equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, not, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

 Lessee shall not be liable for breach of any express or implied coverants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

 12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms an
- time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.
- 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or llens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.
- Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.
- 17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

 DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on markets.

conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor. LESSOR (WHETHER ONE OR MORE) Soldad Hallis ACKNOWLEDGMENT STATE OF ~× COUNTY OF 2009. day of Rodriquez and wife JORGE VALENCIANO Notary Public, State of Texas Notary Public, State of My Commission Expires Notary s name (printed) June 13, 2012 s commission expires: STATE OF COUNTY OF 2009. This instrument was acknowledged before me on the day of



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration:

08/17/2009 03:27 PM

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Instrument #:

D209219946

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\$20.00

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D209219946

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